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The Washington Times

FRIDAY, AUGUST 8, 1986 / PAGE 7A

Panama to sell Soviet-bloc arms from seized freighter

Panama impounded 32 light military trucks, 1,400 rocket-propelled grenades, and 1,500 AK-47 assault rifles.

By Roger Fontaine
THE WASHINGTON TIMES

Panama is still holding a Danish freighter seized two months ago, and its cargo of Soviet bloc arms is up for sale to the highest bidder, administration sources said yesterday.

Panama impounded 32 light military trucks, 1,400 rocket-propelled grenades, and 1,500 AK-47 assault rifles, along with packages of spare parts meant for the whole inventory. U.S. sources now say that, although of Soviet design, the weapons were of East German manufacture and of higher quality.

The arms and trucks, U.S. sources say, are in storage in Panama, where Gen. Manuel Noriega, commander of Panama's armed forces, has quietly put out the word that they are

for sale. Two Central American governments, El Salvador and Honduras, are said to be the most likely customers.

The mystery ship, the *Pia Vesta*, continues to be held at Balboa, Panama's Pacific coast harbor, after it was stopped by the country's military when it attempted to retransit the canal June 14.

Earlier, it had passed through the canal on its way to Peru after taking on a 250-ton cargo of weapons, spare parts and vehicles at the East German port of Rostock. According to the ship's records, it was bound for Callao, Peru, with an expected time of arrival of June 19.

But the *Pia Vesta* never arrived. Instead, it loitered 40 miles off Callao for several days — behavior that aroused the intense suspicion of Peruvian

authorities since it coincided with several prison riots by jailed Sendero Luminoso (Shining Path) guerrillas.

U.S. sources say several patrol boats were sent out in search of the ship, and one Peruvian vessel caught the freighter in the act of transferring its cargo to two fishing vessels. But the *Pia Vesta's* captain, upon discovery, turned off his running lights and escaped in the dark.

Several days later, the freighter

returned to Panama where it was boarded at sea by members of Panama's Self Defense Forces. U.S. sources say the Panamanians were tipped off by a personal phone call from Peru's president, Alan Garcia, to Gen. Noriega, the country's strongman.

The French news agency Agence France-Press reported that the Panamanian authorities have promised to release the *Pia Vesta* when its by the Danish *Vesta* firm that was

implicated in 1979 in an illegal arms shipment to South Africa.

The *Pia Vesta* presently is under charter to a Copenhagen shipping company acting on behalf of a Paris-based transport company, FMC, to ship cargo from Rostock to Callao for an unnamed Swiss client, according to the news agency.

An "end-user" document bore the signature of Peru's naval attache in Washington — meaning the Peruvian government was the intended recipient of the cargo — but Lima denied this, saying the signature was a forgery.

The intended recipients of the arms cargo remain as mysterious as the complicated arrangements no doubt intended them to be, prompting one U.S. intelligence analyst to say, "There was too much

smoke to tell what is going on."

U.S. officials aren't sure the cargo really was intended for the Senderos, who are generally regarded as Maoist in ideology, and therefore unlikely to get Soviet bloc support.

The arms could have been intended for another rebel group of more orthodox Marxist credentials, the Tupac Amaru, which was not involved in the prison riots. Recently active in Lima, the group has been involved in a series of bombings but has shown little capability for other forms of armed rebellion.

Some U.S. officials believe that, while the arms were primarily intended for Peruvian rebels, some of the weapons and vehicles may have been destined for Marxist rebel groups in Colombia and Ecuador, with whom Tupac Amaru has links.

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